

ISP Wireless:
A Success Story

ISP Wireless, an unlicensed fixed wireless Internet service provider based in Alma, came to the MBDA with a problem they needed help in solving. With a successful dial-up Internet service and a small wireless network already in place, they recognized the need to focus more efforts on their broadband business.

Where could a small enterprise such as ISP Wireless hope to secure funding for a line of business often deemed too risky by traditional financing standards?

The Michigan Broadband Development Authority

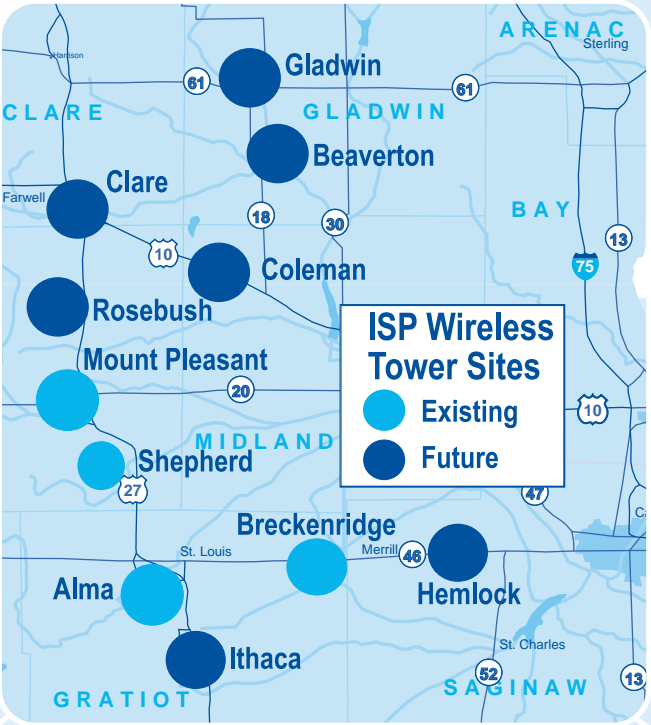
ISP Wireless needed capital to expand their wireless service to more communities in mid-Michigan. The MBDA team rose to the challenge and crafted a loan package that perfectly suited their needs.

“The MBDA is a vital tool to help expand service and broadband use. It would be difficult for companies like ours to continue expanding service without them.”

—ISP Wireless President, Chris Carey

“The MBDA was charged by the legislature to deploy and enhance the availability of broadband service in Michigan, particularly in underserved rural and urban communities ... we will continue to work with companies such as ISP Wireless and work diligently to ensure that broadband access and broadband utilization increases across the entire state.”

—MBDA Vice President, James W. Butler III




735 E. Michigan Avenue
Lansing, MI 48912



Michigan

Broadband
DEVELOPMENT AUTHORITY

EXPANDING
BROADBAND
ACCESS
FOR MICHIGAN'S
CITIZENS
AND BUSINESSES

MBDA: Making Michigan the leading broadband state in the nation

“The purpose of the Broadband Development Act is to ensure broadband service for the benefit of all the people of this state.”

—Michigan Legislature

The Michigan Broadband Development Authority issues bonds and uses the proceeds to finance broadband initiatives in underserved Michigan communities.

Who can MBDA lend to?

- Telecommunications Companies
- Private Businesses
- Non-Profit Organizations, including Universities, Schools, Health Systems
- State and Local Government Offices

What can the MBDA finance?

- Network expansions (*fiber, DSL, cable, wireless*)
- Refinancing (*when associated with broadband expansion or public benefit*)
- Hardware (*servers, computers*)
- Software (*acquisition, training and installation costs*)

How is MBDA different from private lenders?

Many of MBDA's overall lending requirements are similar to those of commercial lenders. However, in most cases its bonding capabilities allow it to lend money at a lower cost.

The MBDA is also an agency focused on a public mission that includes facilitating partnerships, identifying potential investment projects and leveraging additional financial resources for its customers. The MBDA project team is well versed in finding creative development paths that are best suited for its customers.

How do I apply?

Simple Application Process

- Visit the MBDA Web site: www.BroadbandAuthority.org
- Select application that best suits the needs of your organization and project
- Complete application and submit to MBDA
- MBDA confirms receipt

Quick Assessment and Response

- Once application is received, the due diligence process begins
- Meetings are held between applicant and MBDA to discuss loan structure and parameters
- Loan package is presented to MBDA Board of Directors for approval
- Closing
- Entire process takes only 2–3 months from start to finish!

1. Submit application
2. MBDA confirmation of receipt
3. MBDA reviews for completeness
4. Applicant submits additional information, if necessary
5. Due diligence process begins
6. Applicant/MBDA meetings and site visit(s)
7. MBDA determination of project feasibility
8. Staff recommendation to Board of Directors
9. Board of Directors vote
10. Closing of Loan

How are projects evaluated?

All projects are reviewed using three fundamental measures:

1. Public benefit
2. Project feasibility/technology capability
3. Credit-worthiness of project and/or applicants

Does the Broadband Authority offer other types of funding opportunities besides loans?

No. While various financial arrangements are allowed under the statute, MBDA is strictly limited to providing only tax-exempt and taxable loan/debt structured financing programs.

How do I find out more?

Web: www.BroadbandAuthority.org
Telephone: 734.214.1387
Address: Michigan Broadband Development Authority
735 E. Michigan Avenue
Lansing, MI 48912

